FT

FASCINATE TEXTILES LIMITED

Manufacturing | SME

Rs. 142 - 151

11 Aug 2026 - 19 Aug 2026

Allotment 20 Aug 2026 | Listing 24 Aug 2026

Issue size	Where the money goes	Earnings per share
Rs. 64.8 cr	**81% fresh**	**Rs. 41.32**
	Rs. 52.2 cr to the company, Rs. 12.6 cr to selling holders - computed from the share count at the band cap - p.1	issuer disclosed

WHAT STANDS OUT IN THE OFFER DOCUMENT

LOOK CLOSER Profit jumped just before the IPO, but the cash didn't follow.
The operating margin in 2025 was 3.3x the earlier years' average, while cash from operations that year was -Rs.3.6 cr. (p.36)

THE FIVE QUESTIONS

1. How it makes money
Rs.36 of every Rs.100 of sales comes from its "Kids Garments" segment.

2. Is it growing, and is profit turning into cash?
Sales grew 2.8x from 2023 to 2025 (Rs.21.9 cr to Rs.60.3 cr). Over 3 years it made Rs.6.6 cr of profit, and its operations used Rs.7.5 cr of cash. Spending on fixed assets took a further Rs.5.7 cr over 3 years.

3. How much cushion does it have?
It owes Rs.1.74 for every Rs.1 of its own money. We point it out when a manufacturer owes more than Rs.2 for every Rs.1.

4. What you pay, and who gets the money
Of every Rs.100 raised, Rs.19 goes to existing shareholders selling. The document's per-share figures count fewer shares than the issue itself creates, so we do not divide the price by them (see p.139).
- Its own money grew Rs.1.4 cr more than the profit it made from 2023 to 2025: money from shares issued, or other changes in its equity.
- Rs.2.7 cr goes to repaying loans; what it owes went from Rs.6.4 cr to Rs.18.2 cr from 2023 to 2025.
- Rs.19 cr goes to working capital; over 3 years its operations used Rs.7.5 cr of cash.

5. Who controls it, and what is on record?
Promoters own 79% before the IPO. The document discloses 2 legal matters.

WHAT THE COMPANY DOES

Fascinate Textiles Limited is engaged in the manufacturing of readymade garments, with operations based in West Bengal. Its product range spans menswear, womenswear, and childrenswear, with a significant portion of its output focused on garments for children. Its offerings include t-shirts, joggers, vests, leggings, shorts, and infant wear, among others, catering to a variety of end-use segments and age groups.

Our manufacturing activities are primarily concentrated in Barasat, North 24 Parganas, West Bengal, where we own and operate our production facility. Most operations following fabric processing including cutting, printing, stitching, and finishing are conducted in-house.

WHERE THE MONEY GOES

Fresh issue goes to the company. Offer for sale goes to shareholders selling out.



Fresh issue Rs. 52.2 cr 81% Offer for sale Rs. 12.6 cr 19%

How the fresh proceeds are to be spent, as stated in Objects of the Offer.



Funding Capital Expenditure requi... 36% Funding the working capital requi... 56% Prepayment and repayment of all o... 8%

PROMOTER HOLDING

Promoters hold 78.6% before the issue (p.36). The document we read does not state their holding after it.

AGAINST LISTED PEERS

Company	P/E	Revenue	Source
Karnika Industries Ltd	13.1x	Rs. 173 cr	p.145
Karnika Industries Limited	—	—	p.203
Industry average	44.9x	—	issuer

Figures as printed in the offer document. This page does not say whether that is expensive or cheap. That judgement is yours.

FINANCIALS, RS. CRORE

	2023	2024	2025	2Y CAGR

Revenue	22	29	60	+66.0%
EBITDA	1	2	10	—
Profit after tax	0	0	6	+303.6%
Net worth	3	4	10	—
Total debt	6	12	18	—

READING THESE NUMBERS AS MANUFACTURING

What actually diagnoses this business: Capacity utilisation - Order book - Working capital days - Customer concentration.

DOES THE PROFIT TURN INTO CASH

	2023	2024	2025
Operating cash flow	-0	-4	-4
Capital expenditure	3	3	0
Financing	3	6	4

Operating cash flow is -62% of profit after tax. The rest is sitting in receivables or inventory.

WHEN LOCKED SHARES CAN BE SOLD

Each date releases shares that could not previously be traded.

+1 months
Anchor, first half
50.0% - 19 Sep 2026

+3 months
Anchor, remainder
50.0% - 18 Nov 2026

+12 months
Other
100.0%

+36 months
Promoter
20.0%

THE DOCUMENT'S OWN CASE, FOR AND AGAINST

STRENGTHS IT CLAIMS

1. Organizational stability along with management expertise (p.143)
2. Established reputation and customer relationships (p.143)
3. Focus on consistently meeting quality standards (p.143)
4. Well Established Manufacturing Facility designed for wide range of products (p.143)
5. Experienced Management Team and a motivated and efficient workforce (p.143)

RISKS IT DISCLOSES

1. We are dependent on our suppliers for uninterrupted supply of Raw-Materials. (p.48)
2. Our business is substantially dependent on certain key customers, from whom we derive a significant portion of our revenues. (p.49)
3. Our cost of production is exposed to fluctuations in the prices of our major raw material, especially of fabrics. (p.49)
4. Significant portion of our revenue has been generated from Eastern & Southern part of India, any loss of business from these states may adversely affect our revenues and profitability. (p.50)
5. Our Company operations require significant amount of working capital for a continuing growth. (p.51)

Both columns are the offer document's own words, not this page's assessment.

THE INDUSTRY, AS THE DOCUMENT DESCRIBES IT

It forecasts the market to grow about 12.0% a year.

Drivers it names: Increasing popularity of casual clothing and athleisure, changing social media trends, and growth in disposable incomes; Rising need for high-end clothes and smart textiles, and increasing initiatives from the Indian government to help weavers.

> These industry figures come from a IMARC Group report commissioned and paid for by the issuer. It is not neutral research.

Analysed from the DRHP at https://nsearchives.nseindia.com/emerge/corporates/content/Registration_26092025202627_DRHP.pdf by IPO Agent's proprietary AI-assisted extraction on 2026-08-27. Figure verification was skipped. The source text was not available to check against.

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